



# The President's Daily Brief

*22 September 1973*

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

Belgrade [redacted]  
Moscow [redacted] Romania [redacted]  
[redacted] (Page 1)

The Soviet Navy is testing a new weapon that employs a missile to deliver a payload to a target up to 20 nautical miles away. (Page 2)

Neither Italy nor Libya evidently intends to make a major incident out of yesterday's attack by Libyan jet fighters on an Italian naval escort craft off the Libyan coast. (Page 3)

Several former close associates of Afghan president Daud have been arrested, possibly as a result of a continuing power struggle between Daud and the younger officers who brought him to power. (Page 4)

Iraqi government forces reportedly have launched heavy attacks on several Kurdish villages. (Page 5)

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Notes on [redacted] USSR-Chile, [redacted] and International Monetary Developments appear on Page 6.

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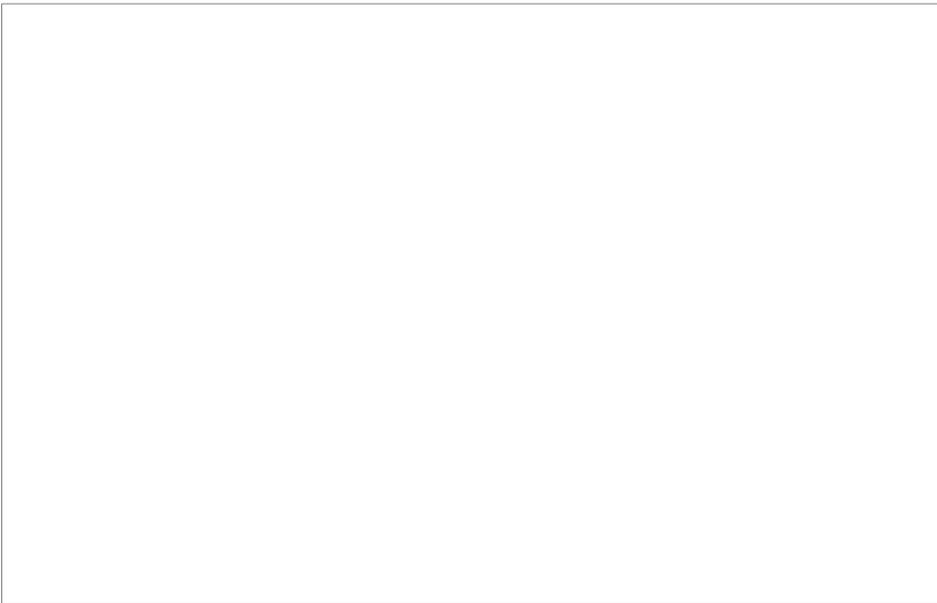
YUGOSLAVIA-ROMANIA-USSR



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ITALY-LIBYA

Rome has indicated that it will not retaliate for an attack yesterday by Libyan jet fighters on an Italian naval escort craft in view of a quick Libyan apology. According to the Italian Government, the ship was accompanying several Italian fishing boats some 30 miles off the Libyan coast. Earlier in the week Libya had seized several Italian trawlers.

*Neither country would have much to gain from turning the attack into a major incident. Italy's oil development program in Libya is just beginning to pay off in rapidly expanding production. Libyan crude may account for as much as 30 percent of Italian state oil company production this year. The new Rumor government expects a domestic oil shortage this winter, and would have no way of making up for the loss of the Libyan supply.*

*The Libyans, for their part, are pushing Italy for technical assistance needed to operate the nationalized oil facilities. Also, Italy's recent sales of armored personnel carriers have made it a major source of Libya's ground forces equipment, along with the USSR and Czechoslovakia.*

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AFGHANISTAN

Radio Kabul announced on Thursday that a former prime minister, a retired air force chief of staff, and an ex-provincial governor--all at one time close associates of President Daud--have been arrested for "anti-government activities." According to reports that have reached the US Embassy in Kabul, a large number of civilians and military personnel were also arrested.

*The government has not yet specified the charges against those who were arrested, and the arrests may be related to the continuing power struggle between Daud and the younger officers who brought him to power. The arrests are not likely to resolve this conflict, and the instability that has characterized the Afghan Government since the coup is likely to continue.*

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**IRAQ: Government Attacks Kurds in the North**



*FOR THE PRESIDENT ONLY*

IRAQ

Following a period of sporadic clashes with Kurdish units over a wide area of northern Iraq, government forces reportedly launched attacks supported by tanks and artillery on several Kurdish villages last week, forcing their inhabitants into the mountains to the north. [REDACTED]

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Mulla Mustafa Barzani, long-time leader of the Kurdish rebels, has about 30,000 men under arms and has placed some of them on alert. The Kurds believe that Baghdad may be trying to reduce the area under Kurdish control before next March, when--according to the 1970 ceasefire agreement--the country's two million Kurds are supposed to be granted a substantial degree of local autonomy. Government officials are said to be working on a new autonomy plan.

*Limited fighting will probably continue intermittently in the absence of an agreement, but the onset of winter in October will preclude major operations until spring. Heavy fighting might well break out again at that point if Baghdad reneges on its commitment to grant the Kurds autonomy.*



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NOTES

China-Laos: Chinese roadbuilding forces evidently will remain in northern Laos for at least another year.

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[REDACTED]

In addition to any plans for further extending the road network, widespread damage caused by heavy rains in the past few weeks will require substantial repair work when the dry season begins. Chinese forces in Laos now total about 29,000.

USSR-Chile: Moscow yesterday suspended diplomatic relations with Chile, possibly in response to the junta's decision to ban all Marxist parties. East Germany immediately cut ties also; Romania's Ceausescu had already stated that his government would not recognize the junta. Soviet ships carrying badly needed wheat to Chile now will be diverted, and the East European allies probably will follow suit on their own grain contracts as well as on relations.

[REDACTED]

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International Monetary Developments: Speculation against the European joint float subsided and the dollar staged a strong recovery in European money markets yesterday. Official intervention nevertheless remained substantial, particularly by the Bank of France, which spent about \$300-350 million worth of the stronger European currencies in buying francs. The Bundesbank purchased only about \$60-80 million in French francs, but also provided some early support to the dollar. The franc remains at the bottom of the float and is still vulnerable to speculative pressures.

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